

2.1 DAC FINANCIAL FEASIBILITY
(WAS DONE IN EARLY 1990'S
AS EXAMPLE OF IMPROVE-
MENTS... COSTS, ETC.)
FROM BOB ECKMAN 1.28.97
MAD

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ALLAN
CHURCH
MO

ORIG - KIM'S FILE: DAC COST EST.
NEW: DAC RE-USE
PLAN

EXECUTIVE SUMMARY

ASSUMPTIONS:

- Torrance will continue to operate within the guidelines established by the PCO Strategic Plan and the Torrance Five (5) Year Plan.
- Total Torrance population will be between 2,000 and 3,000 employees.
- No major new construction or installation of large equipment (FMS type) or systems.
- All values are based in "1991" dollars.
- Approximately 55 acres will be sold.
- Torrance will continue to operate as a Fabrication Center (no capital dollars identified to change product - convert from fabrication to assembly operations).

The List below is a summary of the capital dollars required by Torrance (C6) through 1998.

Projected Capital Funds - Torrance (C6) Facility								
Description	1992	1993	1994	1995	1996	1997	1998	Totals
Environmental	\$822,000	\$2,400,000	\$300,000	\$620,000	\$1,700,000	\$1,260,000	\$100,000	\$7,202,000
Building	\$900,000	\$1,875,000	\$1,250,000	\$250,000	\$1,100,000	\$100,000	\$800,000	\$6,275,000
Equipment	\$4,600,000	\$5,300,000	\$3,960,000	\$10,313,000	\$4,260,000	\$3,350,000	\$2,932,000	\$34,715,000
Major Systems	\$810,000	\$1,500,000	\$2,800,000	\$1,500,000	\$1,500,000	\$1,150,000	\$1,00,000	\$10,260,000
Misc. (10%)	\$713,200	\$1,107,500	\$831,000	\$1,268,300	\$856,000	\$586,000	\$483,200	\$5,845,200
Annual Totals:	\$7,845,200	\$12,182,500	\$9,141,000	\$13,951,300	\$9,416,000	\$6,446,000	\$5,315,200	
5 Year Total:					\$52,536,000			
7 Year Total:							\$64,297,200	

10% OF TOTAL

Values outlined above include:

- Retrofit of approximately forty (40) large N/C machines (\$15,855,000)
- Removal of all PCB Transformers (\$2,200,000)
- New Drop Bottom Quench Furnace (\$1,500,000)
- New High Pressure Press (\$7,000,000)
- Rearrangement for Improved Production Flow (\$6,000,000)
- Does not include "rebates" from State and Local Agencies for Energy Conservation measures.
- Deferred 1991 Capital Items
- Environmental issues addressed are estimates based on forecasted requirements.

BLDG SAFETY WORK:
① \$1.05M
② \$1.605M
③ \$1.01M
SITE COMMON AREAS \$5.4M
#9M
ASSUMING ALL WORK WASN'T DONE (AS SCHED UED) AND ITS STILL NECESSARY FOR CURRENT USE.

MAJOR CAPITAL EXPENSES

Seven Year Summary							
Description	1992	1993	1994	1995	1996	1997	1998
Building 1	\$1,275,000	\$2,825,000	\$1,000,000	\$7,300,000	\$1,500,000	\$0	\$0
Building 2	\$765,000	\$1,035,000	\$1,235,000	\$1,148,000	\$680,000	\$1,730,000	\$632,000
Building 3	\$0	\$10,000	\$0	\$0	\$600,000	\$400,000	\$0
Building 29	\$0	\$0	\$0	\$5,000	\$0	\$0	\$0
Building 37	\$1,810,000	\$2,840,000	\$1,775,000	\$1,165,000	\$2,530,000	\$1,520,000	\$1,300,000
Building 61	\$255,000	\$125,000	\$150,000	\$0	\$0	\$0	\$0
Building 66	\$100,000	\$0	\$250,000	\$250,000	\$0	\$0	\$0
Building 67	\$36,000	\$0	\$350,000	\$0	\$0	\$0	\$0
C6 - Common Areas	\$2,891,000	\$4,240,000	\$3,550,000	\$2,815,000	\$3,250,000	\$2,210,000	\$2,900,000
Misc. (10%)	\$713,200	\$1,107,500	\$831,000	\$1,268,300	\$856,000	\$586,000	\$483,200
Annual Totals:	\$7,845,200	\$12,182,500	\$9,141,000	\$13,951,300	\$9,416,000	\$6,446,000	\$5,315,200
5 Year Total:	\$52,536,000						
7 Year Total:	\$64,297,200						

*BUILDING
TOTALS*

*# 13.9M
7.23M
\$1.01M
DEMO'D
DEMO'D
DEMO'D
\$600M
DEMO'D*

Building 1

- **DESCRIPTION:** **CONSTRUCTION:**
 - Building: Sheet Metal
 - Roofing: Sheet Metal/Asphalt and Rock

BUILDING DATA:

- Dimensions: 370' x 570'
- Truss Height: 25 Feet
- Floors: One (1) Floor, Basement, Two (2) Story Office Structure (South-End of Building)
- Total SQ. FT.: 313,922
- Sprinkler System: 100%

OCCUPANCY:

- Sheet Metal Fabrication

- **CONDITION:** Building is in good shape (40 years old) and does not need major repairs for the next 4 to 8 years.
Basement will continue to be utilized as a Tool Storage facility.
Power and compressed air are available in all areas.

- **REQUIREMENTS:** Please See Table Below.

Building 1							
Description	1992	1993	1994	1995	1996	1997	1998
Titanium Chem Mill Scrubber Upgrade	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0
Maskant Rm - Structural Bldg. Upgrade	\$0	\$300,000	\$0	\$0	\$0	\$0	\$0
Maskant Rm. - Emission Ctrl. for Solv. Fumes	\$0	\$500,000	\$0	\$0	\$0	\$0	\$0
New Drop Bottom Quench Furnace	\$500,000	\$1,000,000	\$0	\$0	\$0	\$0	\$0
Verson Press (Fluid Forming Press)	\$0	\$0	\$0	\$7,000,000	\$0	\$0	\$0
Overhaul Industrial Equip. & Process Systems	\$0	\$500,000	\$1,000,000	\$0	\$1,000,000	\$0	\$0
Steam Lines	\$0	\$250,000	\$0	\$0	\$0	\$0	\$0
Water Lines	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0
HVAC	\$0	\$0	\$0	\$0	\$100,000	\$0	\$0
Cranes	\$0	\$200,000	\$0	\$0	\$0	\$0	\$0
Fume and Dust Collectors	\$0	\$0	\$0	\$300,000	\$0	\$0	\$0
Chem Mill (Old) Overhaul	\$75,000	\$75,000	\$0	\$0	\$0	\$0	\$0
Ventilation System - Basement Area	\$100,000						
Roof Repair	\$0	\$0	\$0	\$0	\$400,000	\$0	\$0
Annual Totals:	\$1,275,000	\$2,825,000	\$1,000,000	\$7,300,000	\$1,500,000	\$0	\$0
5 Year Total:	\$13,900,000						
7 Year Total:	\$13,900,000						

BLDG SPEC
UPGRADES.

✓ \$250K
✓ 200K
✓ 100K

✓ \$100K
✓ \$400K

✓ \$1.05M
TOTAL
BLDG 1

- **COMMENTS:**

Building 2

• **DESCRIPTION:** CONSTRUCTION:

- Building: Sheet Metal
- Roofing: Double Sheet Metal

BUILDING DATA:

- Dimensions: 830' x 1130'
- Truss Height: 27 Feet
- Floors: One (1) Floor, Multiple Mezzanines, Two (2) Story Office Structure (Patio Offices)
- Total SQ. FT.: 915,975
- Sprinkler System: 100%

OCCUPANCY:

- Heat Treat, Process, Welding, Stockrooms, Machine Shops, Tooling, Grinding, Part Storage, Fabrication, Process Labs, Paint, Foundry, Sheet Metal Fabrication

- **CONDITION:** Building structure is in excellent shape.
Roof was replaced six (6) years ago and should last for at least another ten (10) years.
Steam and water lines need to be repaired/replaced.
Power and compressed air are available in all areas.
Office areas along the main aisle are soundproof.
Mezzanines have elevators.

- **REQUIREMENTS:** See Table Below.

Building 2							
Description	1992	1993	1994	1995	1996	1997	1998
Machine Retrofit/PM	\$90,000	\$120,000	\$0	\$300,000	\$160,000	\$400,000	\$400,000
DNC Upgrade	\$15,000	\$15,000	\$85,000	\$48,000	\$90,000	\$380,000	\$132,000
Maintenance Spares	\$150,000	\$100,000	\$0	\$0	\$0	\$0	\$0
Machine Retrofit/PM (FMS)	\$0	\$0	\$0	\$800,000	\$0	\$0	\$0
DNC Upgrade (FMS)	\$0	\$0	\$0	\$0	\$180,000	\$100,000	\$0
Maintenance Spares (FMS)	\$100,000	\$200,000	\$200,000	\$0	\$0	\$100,000	\$100,000
Modify Upstairs Paint Booth Overflow	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0
Lead Foundry*	\$0	\$0	\$0	\$0	\$0	\$750,000	\$0
Secondary Containment - Process Tanks	\$0	\$100,000	\$0	\$0	\$0	\$0	\$0
PCB Transformer Leak Clean-up	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0
Steam Lines	\$0	\$500,000	\$500,000	\$0	\$0	\$0	\$0
Water Mains (Replacement)	\$400,000	\$0	\$200,000	\$0	\$0	\$0	\$0
Cranes	\$0	\$0	\$0	\$0	\$250,000	\$0	\$0
Fume and Dust Collectors	\$0	\$0	\$250,000	\$0	\$0	\$0	\$0
Annual Totals:	\$765,000	\$1,035,000	\$1,235,000	\$1,148,000	\$680,000	\$1,730,000	\$632,000
5 Year Total:	\$4,863,000						
7 Year Total:							\$7,225,000

\$5K
\$1.0M
\$0.6M

\$1.605M
TOTAL PLOD 2

- **COMMENTS:** * Dependent upon future SCAQMD Regulations.

Building 3

- **DESCRIPTION:**
 - CONSTRUCTION:**
 - Building: Triple Brick
 - Roofing: Reinforced Concrete

- **BUILDING DATA:**
 - Dimensions: 34' x 940'
 - Truss Height: 8 Foot (Floor to Ceiling)
 - Floors: Three (3) Floors
 - Total SQ. FT.: 103,806
 - Sprinkler System: 100%

- **OCCUPANCY:**
 - Administrative Offices, Credit Union

- **CONDITION:**

Building is in good shape.

Some areas have been refurbished with carpet, Steelcase partitions, drop ceilings and upgraded lighting.

Construction of building is heavy duty.

Credit Union occupies floorspace in the south end of the building and there are plans to relocate off-site within 1 to 2 years.

- **REQUIREMENTS:** See Table Below.

Building 3							
Description	1992	1993	1994	1995	1996	1997	1998
Asbestos Abatement - Ceiling Tiles	\$0	\$0	\$0	\$0	\$300,000	\$200,000	\$0
Asbestos Abatement - Floor Tiles	\$0	\$0	\$0	\$0	\$300,000	\$200,000	\$0
Blueprint Room Ventilation	\$0	\$5,000	\$0	\$0	\$0	\$0	\$0
Restroom Ventilation Repair and Upgrade	\$0	\$5,000	\$0	\$0	\$0	\$0	\$0
Annual Totals:	\$0	\$10,000	\$0	\$0	\$600,000	\$400,000	\$0
5 Year Total:	\$610,000						
7 Year Total:							\$1,010,000

- **COMMENTS:**

Building 66

• **DESCRIPTION:** CONSTRUCTION:

- Building: Sheet Metal
- Roofing: Gravel

BUILDING DATA:

- Dimensions: 180' x 1160'
- Truss Height: 30 Feet
- Floors: One (1) Floor
- Total SQ. FT.: 210,141
- Sprinkler System: 100%

OCCUPANCY:

- Material Storage

• **CONDITION:**

Building structure is in fair shape (for use as a warehouse).
Existing structure will not support large overhead cranes (Stacker Crane).
New Low Pressure Sodium lights - recently installed.
Large steel roll-up doors and loading docks at both ends of the building.
Intended for warehouse use only.
Power is available for lighting and cranes only.
Power is not available as a general rule.
Compressed air is not available.

• **REQUIREMENTS:**

See Table Below.

Building 66							
Description	1992	1993	1994	1995	1996	1997	1998
Heaters	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0
Crane (Small - Light Duty)	\$0	\$0	\$0	\$250,000	\$0	\$0	\$0
Paint	\$0	\$0	\$250,000	\$0	\$0	\$0	\$0
Annual Totals:	\$100,000	\$0	\$250,000	\$250,000	\$0	\$0	\$0
5 Year Total:	\$600,000						
7 Year Total:							\$600,000

DEM'D

• **COMMENTS:**

Not intended for Fabrication use. Power is very limited and compressed air is not available. Building is only to be used as a warehouse facility in its existing condition.

C6 - Common Areas

- **DESCRIPTION:** The following items are requirements for common areas within the plant and/or for the smaller buildings located throughout the Torrance (C6) Facility.
- **REQUIREMENTS:** See Table Below.

C6 - Common Areas - Plant-Wide							
Description	1992	1993	1994	1995	1996	1997	1998
Remove Underground Storage Tanks*	\$300,000	\$150,000	\$100,000	\$0	\$0	\$0	\$0
Bldg. 36 - Groundwater & Soil Clean-Up	\$200,000	\$470,000	\$0	\$0	\$0	\$0	\$0
DMJM (Chrome Destruct System)	\$0	\$0	\$0	\$500,000	\$0	\$0	\$0
Monitor Process Tank Chemistry	\$0	\$20,000	\$0	\$0	\$0	\$0	\$0
Storm Drain Outfall	\$3,000	\$0	\$0	\$5,000	\$0	\$0	\$0
Emergency Lighting - Plant-Wide	\$210,000	\$200,000	\$200,000	\$0	\$0	\$0	\$0
PCB Transformer Replacement - Plant-Wide	\$200,000	\$800,000	\$500,000	\$700,000	\$0	\$0	\$0
Bldg. 19 - Storm Drain Outfall Alarm	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0
Misc. Safety/Environmental Issues	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Bldg. 40 - Chem Stores Facility Upgrade	\$25,000	\$50,000	\$50,000	\$0	\$0	\$0	\$0
Bldg. 20 - Cathodic Protection for Gas Tank	\$0	\$0	\$0	\$0	\$0	\$10,000	\$0
Fire Alarm System - Plant-Wide	\$250,000	\$0	\$0	\$0	\$0	\$0	\$0
Plant Automation Management (PAM) Sys.	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0
Asphalt Repair - Salvage	\$70,000	\$0	\$0	\$0	\$0	\$0	\$0
Asphalt Repair - Boiler House, Bldg. 36 & 37	\$0	\$0	\$100,000	\$0	\$0	\$0	\$0
Asphalt Repair - General	\$0	\$0	\$0	\$0	\$50,000	\$0	\$0
Asphalt Repair - Parking Lots	\$0	\$0	\$0	\$0	\$0	\$0	\$800,000
Plant-Wide Roof Replacement	\$0	\$0	\$0	\$0	\$100,000	\$100,000	\$0
Bldg. 12 - Installation of Scrubber	\$0	\$750,000	\$0	\$0	\$0	\$0	\$0
Bldg. 12 - Rinse Water Collection Sump	\$0	\$150,000	\$0	\$0	\$0	\$0	\$0
Bldg. 45 - Hazardous Waste Yard	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0
Bldgs 41 & 42 - Boiler House Soil Cleanup	\$0	\$0	\$0	\$10,000	\$500,000	\$0	\$0
Overhaul Industrial MT & Process Systems	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Hyde Ultrafilter - 24 Composite Sampler	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0
Cooling Tower Replacement	\$140,000						
Waste Minimization (Centrifuge)	\$40,000						
Building 34 Ventilation System	\$15,000						
Bldg. 19 Emergency Diesel Generator	\$80,000						
Auto Rinsewater Level/Overflow Controls	\$100,000						
Improve Production Flow	\$0	\$500,000	\$1,500,000	\$500,000	\$1,500,000	\$1,000,000	\$1,000,000
Annual Totals:	\$2,891,000	\$4,240,000	\$3,550,000	\$2,815,000	\$3,250,000	\$2,210,000	\$2,900,000
5 Year Total:	\$16,746,000						
7 Year Total:							\$21,856,000

✓ 8K
✓ 0.61M
\$ 2.2M
✓ 5K
✓ 700K

✓ 250K
✓ 70K
✓ 100K
✓ 50K
✓ 800K
\$ 200K

140K.
15K.

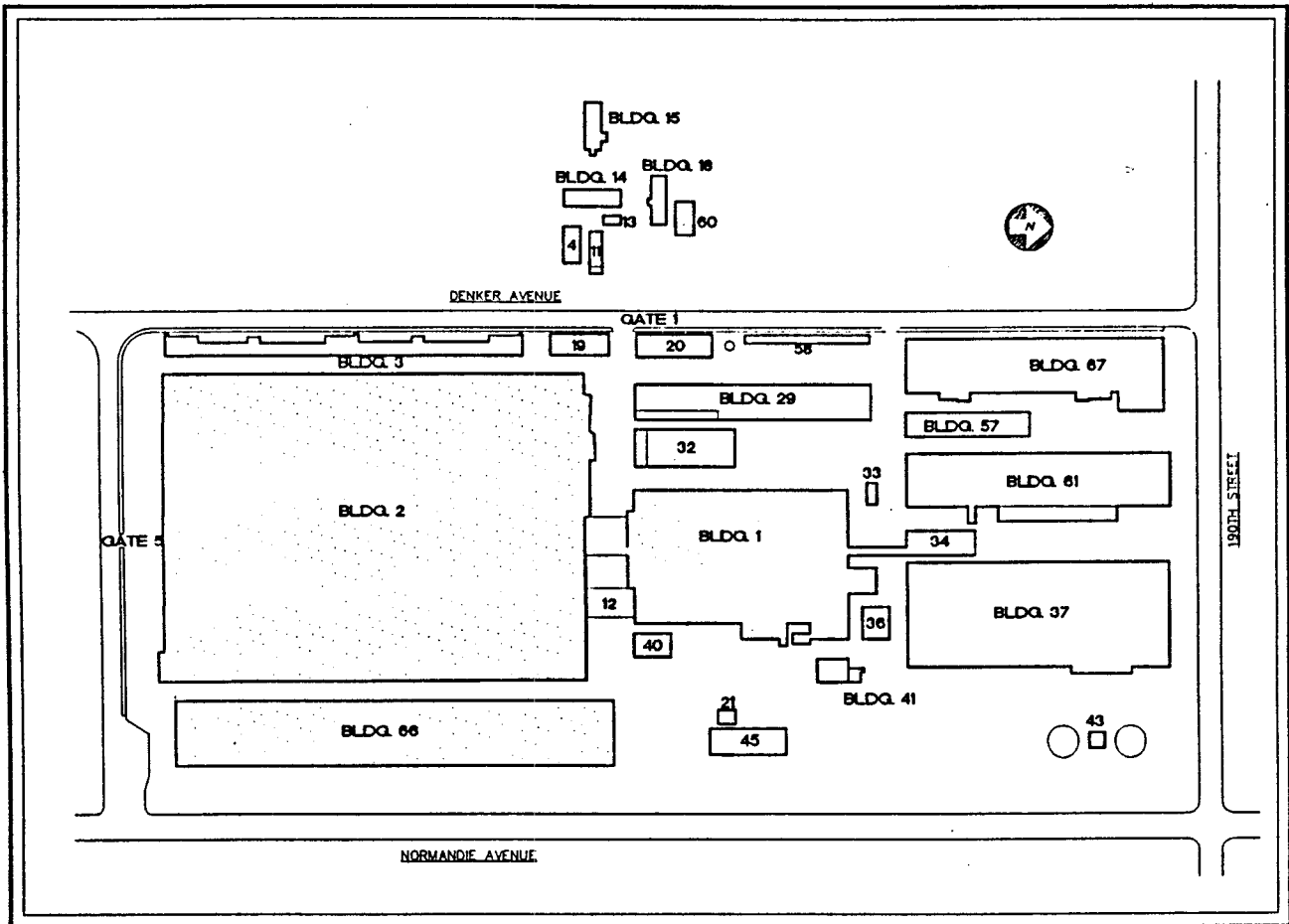
\$ 5.4M

- **COMMENTS:** * Funding for this project to be obtained from Safety and Environmental Affairs at Long Beach.

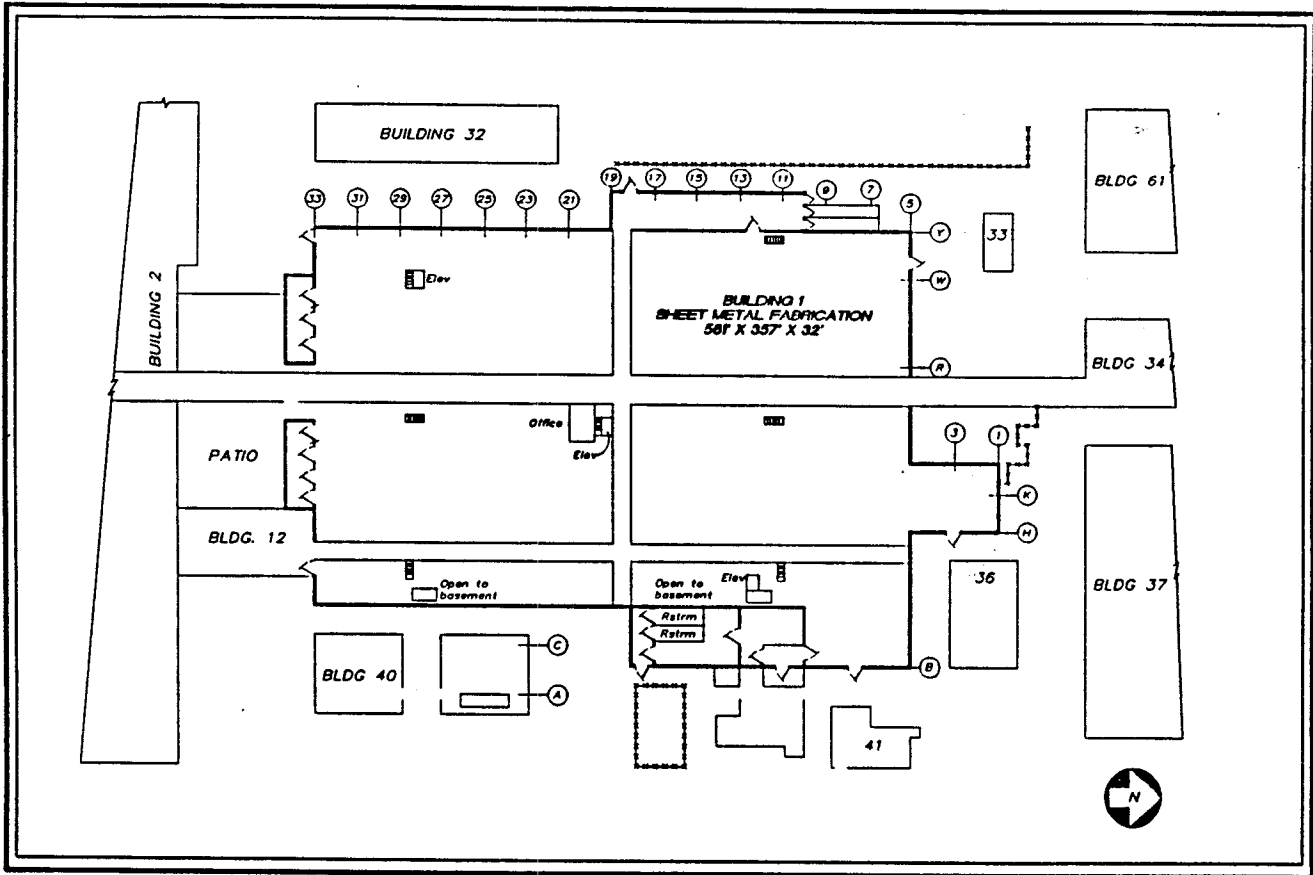


SUPPORTING DOCUMENTS

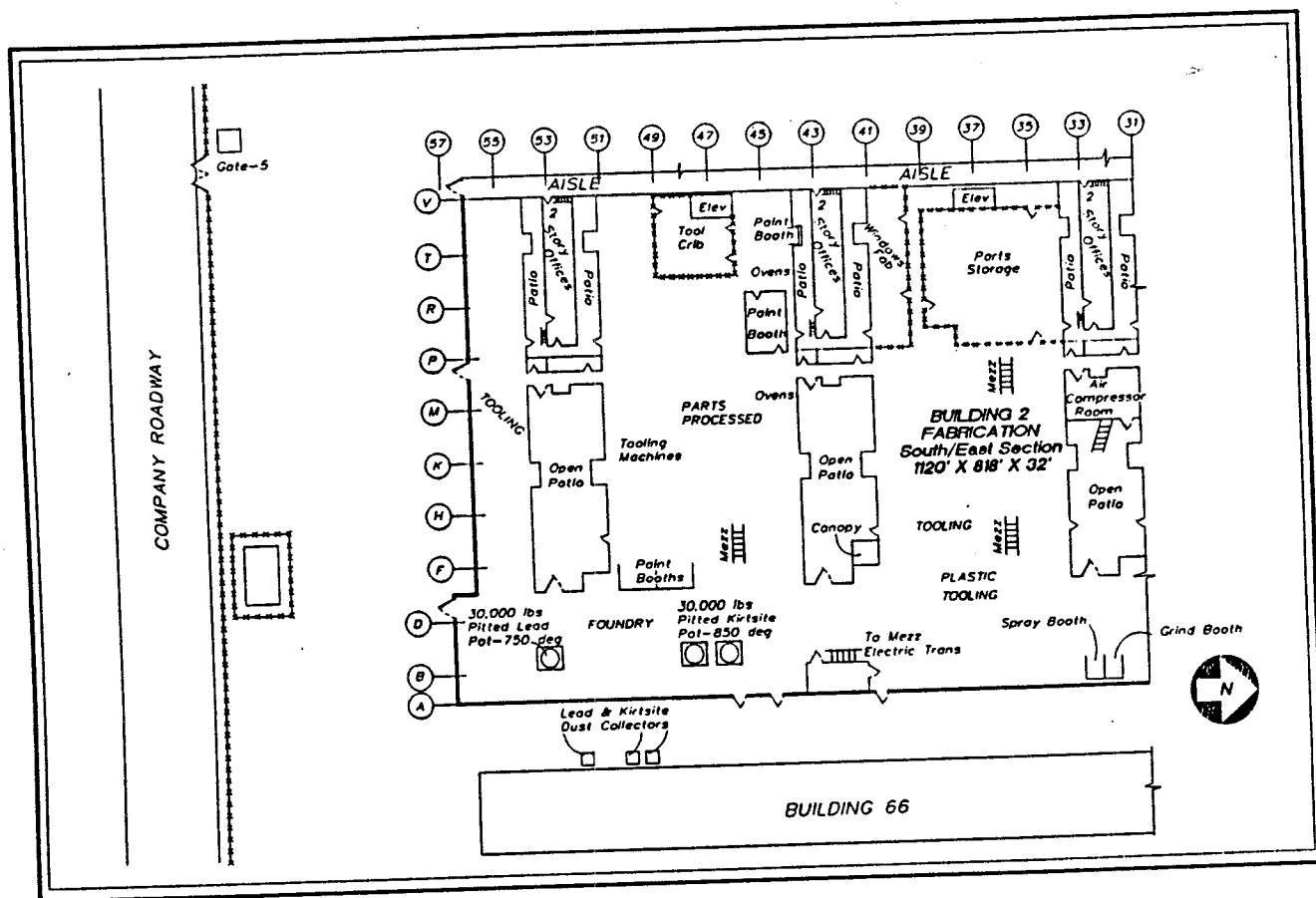
C6 - TORRANCE, PLANT LAYOUT



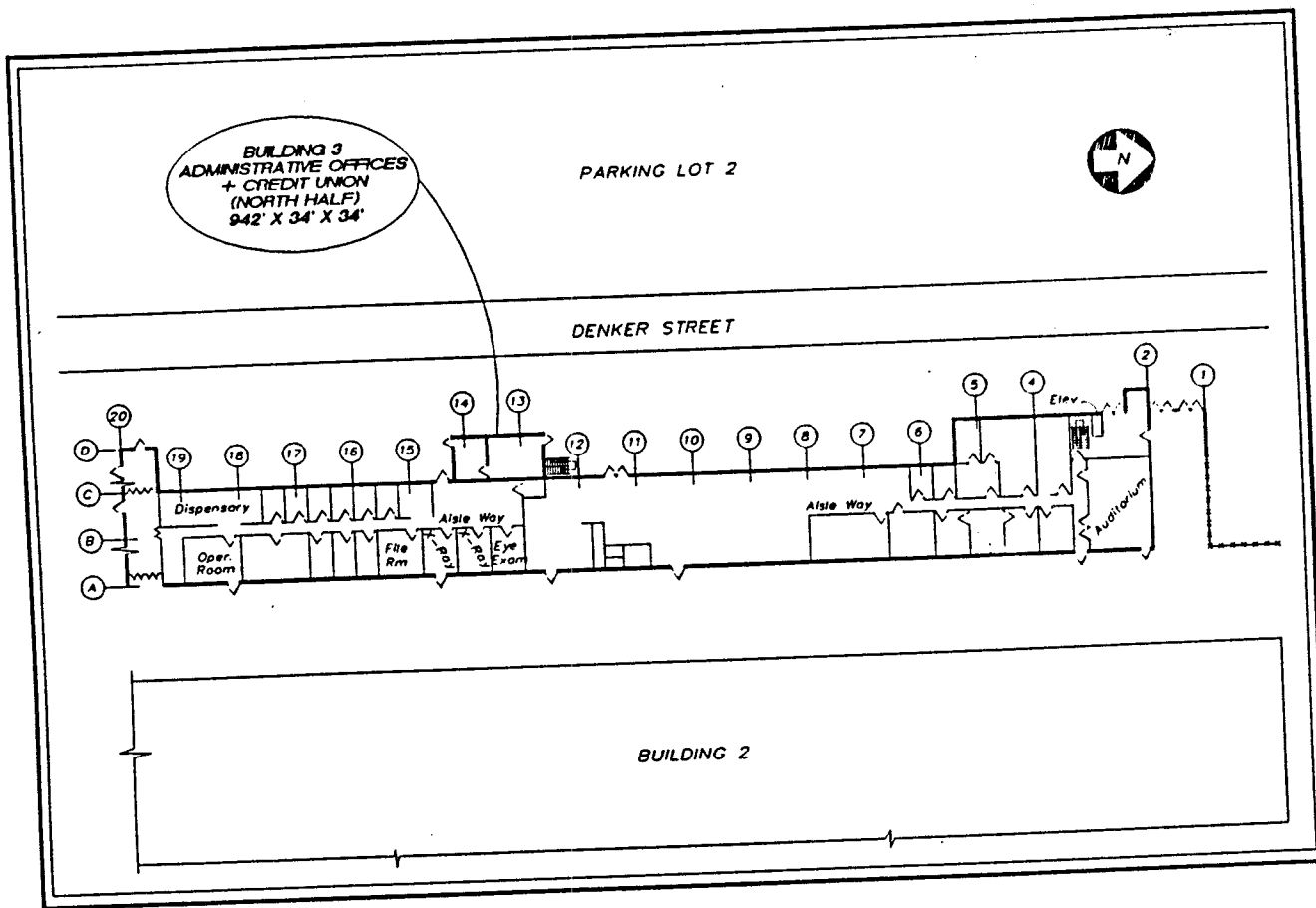
BUILDING 1



BUILDING 2 - PLAN 4



BUILDING 3 - PLAN 1



BUILDING 66

